## § 381.513

## § 381.513 Requirements for establishments; ineligible establishments.

- (a) An establishment that operates under a cooperative State poultry products inspection program may apply to participate in a cooperative interstate shipment program under this subpart if:
- (1) The establishment employs on average no more than 25 employees based on the standards described in paragraph (b) of this section, or
- (2) The establishment employed more than 25 employees but fewer than 35 employees as of June 18, 2008. If selected to participate in a cooperative interstate shipment program, an establishment under this paragraph must employ on average no more than 25 employees as of July 1, 2014, or it must transition to become an official establishment as provided in §381.521 of this subpart.
- (b) An establishment that has 25 or fewer employees based on the following standards is considered to have 25 or fewer employees on average for purposes of this subpart.
- (1) All individuals, both supervisory and non-supervisory, employed by the establishment on a full-time, part-time, or temporary basis whose duties involve handling the poultry products prepared by the establishment are counted when calculating the total number of employees.
- (2) All individuals employed by the establishment from a temporary employee agency, professional employee organization, or leasing concern whose duties involve handling the poultry products prepared by the establishment are counted when calculating the total number of employees.
- (3) The average number of employees is calculated for each of the pay periods for the preceding 12 calendar months.
- (4) Part-time and temporary employees are counted the same as full-time employees.
- (5) If the establishment has not been in business for 12 months, the average number of employees is calculated for each of the pay periods in which the establishment has been in business.
- (6) Volunteers who receive no compensation are not considered employees unless their duties involve handling

the poultry products prepared by the establishment.

- (7) The total number of employees can never exceed 35 individuals at any given time, regardless of the average number of employees.
- (c) The following establishments are ineligible to participate in a cooperative interstate shipment program:
- (1) Establishments that employ more than 25 employees on average (except as provided under paragraph (a)(2) of this section);
- (2) Establishments operating under a Federal-State program as provided in §381.186 of this part as of June 18, 2008;
  - (3) Official establishments;
- (4) Establishments that were official establishments as of June 18, 2008, but that were re-organized on a later date by the person that controlled the establishment as of June 18, 2008;
- (5) Establishments operating under a cooperative State poultry products inspection program that employed more than 35 employees as of June 18, 2008, that were reorganized on a later date by the person that controlled the establishment as of June 18, 2008;
- (6) Establishments that are the subject of a transition under §381.521 of this subpart:
- (7) Establishments that are in violation of the Act:
- (8) Establishments located in States without a cooperative State poultry products inspection program; and
- (9) Establishments located in a State whose agreement for a cooperative interstate shipment program was terminated by the Administrator as provided in §381.187(d) of this part.
- (d) An establishment that meets the conditions in paragraph (a) of this section and that is not an ineligible establishment under paragraph (c) of this section may apply for selection into a cooperative interstate shipment program through the State in which the establishment is located.

[76 FR 24756, May 2, 2011, as amended at 76 FR 81360, Dec. 28, 2011]

## § 381.514 State request for cooperative agreement.

(a) State participation in a cooperative interstate shipment program under this subpart is limited to States that have implemented cooperative